

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF SOUTH CAROLINA**

In Re:

Sand Castle South Timeshare Owners  
Association, Inc.,

Debtor.

Sand Castle South Timeshare Owners  
Association, Inc.

Plaintiff

vs.

Earl Hanvey, Jr., *et al.*<sup>1</sup>

Defendants.

Case No. 19-02764-jw

Chapter 11

Adversary Proceeding No. 19-80101-jw

**JUDGMENT IN ADVERSARY  
PROCEEDING**

Pursuant to the Order Granting Default Judgment Against the Non-Responding Defendants entered on March 16, 2020, the Order Granting Default Judgment Against the Returned Mail Defendants entered on June 9, 2020, and the Order Granting Summary Judgment as to Answering Defendants entered on July 21, 2020, each granting relief in favor of Plaintiff Sand Castle South Timeshare Owners Association, Inc. (the “**Association**”), the Court has ordered that:

A. The interests of the Defendants in the Condominiums (defined in the Orders),

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<sup>1</sup> Pursuant to Rule 10(a) of the Federal Rules of Civil Procedure, made applicable herein by Rule 7010 of the Federal Rules of Bankruptcy Procedure, Plaintiff Sand Castle South Timeshare Owners Association, Inc. is naming the first defendant in this caption, rather than listing all defendants, who number over 800 names and otherwise comprise a caption of over 7 pages.

including any interests of the John Doe, Richard Roe and Steven Stoe Defendants, shall be partitioned by sale of the Condominiums;

B. The sale of the interests of the Defendants in the Condominiums, including any interests of the John Doe, Richard Roe and Steven Stoe Defendants, is also authorized as the sale of co-owned property under 11 U.S.C. § 363(h);

C. The Association is granted judgment of setoff against each those Defendants, including the John Doe, Richard Roe or Steven Roe Defendants, who is identified in the Complaint and/or the Amended Complaint as a Delinquent Owner, by which the Association is authorized to retain and apply any sale proceeds otherwise due to the Delinquent Owners in payment and satisfaction of the indebtedness of the Delinquent Owners to the Association;

D. The interests of the John Doe, Richard Roe and Steven Stoe Defendants in the Condominiums are deemed abandoned and forfeited, and any interests or rights these Delinquent Defendants may claim in the Condominiums are extinguished;

E. The equity of redemption is hereby barred, and the proceeds of the sale of the Condominiums are to be applied in the following manner:

1. First to the costs and expenses of this action and the bankruptcy case;
2. Second, as payment to the Association for its share of the net proceeds representing its ownership interest in each of the units, for use in making payments to creditors of the Association;
3. Third, as payment to the Association of the portion of the sale proceeds that would be otherwise allocated to Delinquent Owners, pursuant to the Association's setoff rights against the Delinquent Owners, for the Association's use in making payments to its creditors;
4. Fourth, payment of the portion of the sale proceeds allocated to the Active

Owners, as defined in the Complaint, to the Active Owners for their interests in the Condominiums; and

5. Lastly, the remainder of the proceeds from the sale of the Condominiums to be distributed by the Association pursuant to the terms of its confirmed Chapter 11 plan of liquidation, or by other order of this Court.

Columbia, South Carolina  
July 30, 2020

**FILED BY THE COURT**  
**07/30/2020**



Entered: 07/30/2020

US Bankruptcy Judge  
District of South Carolina